

Denied Boarding (DBC) - Policy and Procedures

- Policy
- Eligible Customers
- Ineligible Customers
- Compensation levels
- Notice of Denied Boarding Compensation (DBC)
- Seeking volunteers
- Denied Boarding Order of Deplanement
- DBC Edits / Eligibility for Compensation Grid
- DBC Scenarios
- Flight Closeout Requirements
- Customer Reprotection
- Refunds
- Additional Expenses
- Issuing an EMCO or paper MCO
- Cash Compensation – Issuing a Draft
- Department / Account code
- Redemption of paper MCOs and eMCOs

Policy

Air Canada Revenue Management's team is tasked with ensuring that the maximum revenue potential is made on each and every flight we operate.

As it is known that a certain percentage of confirmed customers do not show for their flights, it is sometimes necessary to sell more seats than aircraft capacity.

Revenue Management uses a sophisticated system that uses "day of" and historical information to monitor all flights in Air Canada's system, calculating the acceptable level of oversell risk.

When flights are oversold there is certainly a level of stress for both the gate agent and customers involved. Soliciting volunteers to travel on later flights not only fulfills our legal requirements, but may also assist the gate agent in alleviating some of that stress.

Making announcements for seeking volunteers makes a positive impression on our customers by demonstrating that we are trying our best to accommodate all of our customers. It gives us the opportunity to board those customers who really need to get to their destination on that particular flight, while compensating those customers whose schedules are more flexible and are able to travel on a later flight.

In the event of an overbooked Air Canada, Air Canada Express, Air Canada *rouge*, and Sky Regional flights departing to or from any domestic, transborder or international destination, Air Canada will and is required to:

- Solicit volunteers – See [Soliciting Volunteers in Oversell Situations](#)
- Pay denied boarding compensation to any eligible customer in the form of eMCO, MCO or draft (cash).
- Reroute, or refund the customer the value of the affected flight coupons.
- Provide refreshments and accommodations as per [Irregular Operations \(IROP and DBC\) - North America Meals and Hotels Policy](#)

When customers are denied boarding involuntarily and when they cannot be re-accommodated in a manner that they deem acceptable, they are entitled to a refund of the affected coupon and associated ancillary fees as well as denied boarding compensation (DBC) according to the regulation of the country where the denied boarding occurred. This is regardless of the type of fare purchased.

The following customers should not be denied boarding or deplaned:

- Customers with a disability or MEDA SSR
- UMNR
- Young passengers travelling alone (YPTU)
- Customers/Families travelling with young children
- Passengers for whom, in agent's assessment, denial would cause severe hardship

We will not require customers seated on the aircraft to give up their seat involuntarily unless safety or security is at risk. Note that Weight and Balance issues constitute a safety risk). All customers may be solicited as potential volunteers, whether or not they have checked baggage.

Eligible Customers

The customer must have met the following criteria in order to be eligible for Denied Boarding Compensation (DBC):

- Hold a valid, confirmed space, revenue or reward ticket on a flight which is unable to accommodate him.
- Has complied with the applicable check-in and boarding deadlines
- Be acceptable for transportation, with respect to, medical issues, behaviour, etc., in accordance with Air Canada's published tariff.

Ineligible Customers

The following customers are not entitled to denied boarding compensation (ie. eMCO or cash):

- Infants not occupying a seat (unless obligated by local laws);

- Air Canada employees travelling on positive space or standby;
- OAL (other airline) employees travelling on positive space or standby;
- Travel agents on ID/AD;
- Any other passenger travelling free of charge, except for travel purchased using accrued mileage redemption (eg. Aeroplan redemption tickets);
- Extra seats for cabin baggage, i.e. cellos or personal comfort will not be entitled to compensation on top of customer's compensation.

Compensation levels

The compensation is determined by Air Canada or the regulation of the country where the denied boarding occurred and varies by country; refer to the following documents:

- [Denied Boarding Compensation \(DBC\) - Canada](#)
- [Denied Boarding Compensation – United States \(DBC USA\)](#)
- [Denied Boarding Compensation \(DBC\) - Caribbean](#)
- [Denied Boarding Compensation \(DBC\) - Central and South America](#)
- [Denied Boarding \(DBC\) Policy, Procedures, Compensation - EU, UK and Turkey](#)
- [Denied Boarding \(DBC\) Policy, Procedures, Compensation - United Arab Emirates \(UAE\)](#)
- [Israel \(Tel Aviv/TLV\) – Denied Boarding Compensation \(DBC\) – Policy, Procedures](#)
- [Denied Boarding Compensation \(DBC\) - Morocco](#)
- [Denied Boarding Compensation \(DBC\) - Algeria](#)
- [Denied Boarding \(DBC\) Policy, Procedures, Compensation - India](#)
- [Denied Boarding Compensation \(DBC\) - Asia and Pacific](#)

Notice of Denied Boarding Compensation (DBC)

Air Canada has a legal obligation in certain countries to distribute ACF520 "Notice of Denied Boarding Compensation" to all customers who are denied boarding. The notice cards are to assist both staff and customers in understanding the policies and regulations applicable to the location where the situation occurs.

Denied Boarding notice cards ([Notice of Denied Boarding Compensation \(DBC\) – ACF520](#)) are required in the following countries:

- **ACF520-2:** Notice of denied boarding compensation - U.S.A.
- **ACF520-5:** Notice of denied boarding compensation – ISRAEL
- **ACF520-6:** Notice of denied boarding compensation – EUROPEAN COMMUNITY COUNTRIES (ECC)

Seeking volunteers

Air Canada is required by law to solicit customers who wish to deplane voluntarily, before denying boarding to any other customers. In order to fulfill this requirement and to ensure we do all possible to avoid involuntarily denying boarding to any customers.

- Assign to the flight, and verify the Flight Header and Check-in Information for guidance - look for comments such as "Move Early" or "Oversold", and proactively offer customers the opportunity to rebook or standby early to another flight that is not oversold, at no charge.
- Solicit volunteers at check-in, bag drop and lobby positions - Refer to [Soliciting Volunteers in Oversell Situations](#) for information on
 1. The AC solicitation process at check-in counters and at gates
 2. Checked baggage procedures
- Announcements must be made at the gate. For Soliciting Volunteers gate announcements, refer to [Gate Announcements](#). For departures from Canada, refer to: [Denied Boarding Compensation \(DBC\) - Canada](#).
- We must do all possible to find volunteers who are willing to change their travel plans before involuntarily denying boarding to customers.
- **Deadheading crew** should never be deplaned. If a deadheading crew member volunteers to move to a different flight, it must first be approved by crew scheduling: (Flight Ops – 514-422-6201 or In-Flight - 514-828-3204.)

Denied Boarding Order of Deplanement

Under certain circumstances, we may be required to deplane customers due to a load restriction/downgauge, or to accommodate customers who must travel (e.g. MEDA/children etc.). In these cases, we must do all possible to avoid involuntarily denying boarding to revenue customers.

Follow the below prioritized list of deplanement, to minimize impact to our customers.

1. Deplane Rebate customers (CONs) in reverse priority and seniority – review list in **Gate Keypad -->F1 Gate Prep --> Option 11 Standby List**
2. Should you still require seats, review the list of deplanable POS priorities:
 - i. Display the list of all POS customers in **Gate Keypad -->F1 Gate Prep --> Option 11 Standby List**
 - ii. Identify POS priorities that cannot refuse deplanement in **ALT+G Gate Checklist --> Option 5 Positive Space Priorities**
 - iii. Deplane all POS customers that cannot refuse by reverse priority and seniority (refer to **Gate Keypad -->F1 Gate Prep -->Option 11 Standby List**)
 - iv. Approach POS customers that are permitted to refuse deplanement, ask them they are willing to volunteer (with the exception of deadheading crew) and deplane if they agree.
3. Once all CONS and deplanable POS have been deboarded, make the Soliciting Volunteers announcement onboard and offer denied boarding compensation to revenue customers. Take the time to clearly explain why we need a volunteer, what we offer as

alternate flights and make the compensation sound as attractive as possible. Offer DBC as per the policy of the departing station.

4. Should we still be required to remove customers, CSM, Lead or Gate Agent should contact the CJM Manager for guidance on deplanement of revenue customers.

DBC Edits / Eligibility for Compensation Grid

The DCS records of Denied Boarding Customers should be edited as follows:

Customer	DCS Edit	DBC Compensation Eligibility	Additional Expense Eligibility per
	<u>DCS Edits - QIK Chek</u>		<u>Irregular Operations (IROP and DBC) - North America Meals and Hotels Policy</u>
Volunteer POS AC employee	VOL (zero dollar value)	No	Exceptional cases – Discretion of local management
Volunteer POS OAL employee	VOL (zero dollar value)	No	Exceptional cases – Discretion of local management
Volunteer revenue customers choosing MCO	VOL	Yes	Yes
Volunteer revenue customers choosing cash	VOL	Yes*	Yes *For customers departing from Canada, DBC is issued eMCO. Draft/cash payment may be offered as additional incentive if needed.
Involuntary POS AC employee (ie. GTE on	INVOL/ DBC	No	Exceptional cases – Discretion of local management

boarding pass)	(zero dollar value)		
Involuntary POS OAL employee (ie. GTE on boarding pass)	INVOL/ DBC (zero dollar value)	No	Exceptional cases – Discretion of local management
Involuntary revenue customers who have no seats assigned based on order of check-in (i.e. GTE on boarding pass)	INVOL	Yes*	Yes *For customers departing from Canada, INVOL DBC must be issued as draft/cash.
Departures from Canada only: "GOODWILL DBC" due downgauged aircraft (revenue customers)	INVOL	Yes - For Goodwill DBC issue EMCO only For customers involuntarily denied boarding due to a downgauged aircraft, caused by events beyond our control: CJM will identify this flight in the Check-in Information by adding the following comment and DBC instructions: "GOODWILL DBC" ISSUE EMCO Note - if customers are involuntarily denied boarding due to a downgauged aircraft and CJM does not add this specific comment to the Check-in Information, it means the downgauge is within our control; we will offer the customer draft DBC compensation instead of eMCO.	

The denied boarding policy for employees travelling on positive space is in [Positive \(POS\) and Space Avail \(SPAV\) Handling inc Denied Bdg- Employee Travel](#).

***DBC edits are required for all positive space customers**, as indicated in grid above.

DBC Scenarios

1. INVOL DB customer travelling with companion

If an involuntarily denied boarding customer is travelling with a companion or family members and choose not to split their party, **all customers are treated as INVOL denied boarding customers and entitled to compensation, as well as meal vouchers and hotel accommodation if required.***

*This policy does not extend to customers travelling as part of a large group booking (e.g. ACV bookings of 50 customers). Compensation is only offered to the involuntarily denied boarding customer and true travel companions.

2. VOL DB customer travelling with companion

Volunteer compensation will only be given based on the number of seats required. For example, if only one volunteer is required but a party of two who are travelling together volunteer, both customers may elect not to travel and will be re-protected according to what is outlined in the policy, however, denied boarding compensation will be given only to one customer.

3. DB customers who elect not to travel

If the denied boarding customer declines flight re-protection and elects not to travel, we will offer the maximum denied boarding compensation amount, based on the country where the denied boarding occurred.

Flight Closeout Requirements

Any time a customer is seated and then offloaded, their checked baggage must always be sequenced as per [Baggage Reconciliation - Policy and Procedures](#).

All customers who have been denied boarding should have either a VOL or DBC edit in their DCS record [DCS Edits - QIK Chek](#)

DBC edits should be entered in each DCS record for **all** denied boarding customers, including those customers who have been denied boarding as a result of an oversell, load restriction, or downgauge of an aircraft.

A **list of all denied boarding customers** should be printed out along with their individual **DCS records** and attached to the flight's ACF610. The number of denied boarding customers should also be recorded on the flight's ACF610.

The PNR of all customers who were denied boarding must be updated with the following:

- Denied boarding flight number and date
- Re-protection flight number and date
- Form of compensation – (e)MCO number or draft number
- Compensation amount
- List of expenses paid
- Voluntary or involuntary

Customer Reprotection

Customers are to be rebooked (holding confirmed space) on an earlier/later Air Canada flight with available space in original booking code (if not available, book next available booking code up to Y).

If there is no availability in economy, never rebook a customer in Business class or Premium Economy. Agents must always contact **Revenue Management Operations (RM Ops)** at **514/422-6303** in order to have seats released in economy or to get assistance in finding an alternate itinerary. RM Ops operates daily from 0600EST to 2300EST.

Transfer Passenger (TP) only if no other rebooking options are available.

Transferring a customer (TP) will automatically assign the code **M** for Mishandled Customer. If a customer is reprotected on standby by GOSHO, be sure to indicate the code **M** for Mishandled Customer. (From Check-in keypad, select F3 Check-in cell, enter the flight number, local city, date, customer's surname, and offpoint, then from the CTRL+L list in the "GOSHO/NOREC" field of the Check-in pop-up, select #05-MISHANDLED PASSENGERS.)

If no AC space is available, the customer can be rebooked on another airline (OAL), following the reprotection guidelines outlined in [Irregular Operations \(IROP\) - General Policy & Procedures](#)

Refunds

- When customers are denied boarding **involuntarily** and cannot be re-accommodated in a manner that they deem acceptable, or upon request by the customer; they are entitled to a full refund as well as denied boarding compensation (DBC) according to the regulation of the country where the denied boarding occurred. This is regardless of the type of fare purchased. Add a protected remark to the PNR indicating that customer declined flight reprotection and elected not to travel.
- Customers who **volunteer** to be denied boarding, and request a refund of their ticket will be handled in accordance with the fare rules of their ticket; cancellation penalty may apply. Add a protected remark to the PNR indicating that customer declined flight reprotection and elected not to travel.

Additional Expenses

Regardless of voluntary/ involuntary denied boarding & method of compensation chosen, the following should be offered to all customers who have been denied boarding.

- **Hotel:** if reprotection is the next day or more than 8 hours after scheduled departure of original flight.
- **Meals:** if the delay to the customer is 1 to 2 hours, provide a snack. If delay is over 2 hours, provide a meal voucher.
- **Ground transportation:** to hotel if required.

- **Telephone:** Provide two telephone calls/fax/teletypes

This includes Air Canada employees travelling on employee service award or recognition tickets (PJ4/J05 priority).

Air Canada employees travelling on positive space are also eligible for the above-mentioned expenses. Protection for these customers is to be arranged on the next available Air Canada flight (can book Y).

The complete guidelines are in [Irregular Operations \(IROP and DBC\) - North America Meals and Hotels Policy](#).

Issuing an EMCO or paper MCO

Refer to [Electronic MCO \(EMCO\) Procedures – Call Centres, Airports](#) or [Paper Miscellaneous Charge Order \(MCO\) including Star Alliance Goodwill](#)

Cash Compensation – Issuing a Draft

Refer to [Refund Drafts](#)

Department / Account code

The department and account ID charged for denied boarding compensation is based on the operator of the originally booked flight and applies to eMCO, MCO and Draft.

Original Flight operated by	Department ID	Account Code
Air Canada (AC0001-AC1599)	0888	890526
Rouge (AC1750-AC1999)	0888	890665
Jazz (AC7650 to AC8999)	0888	893026
Sky Regional (AC7350 to AC7614)	0888	890660
All other Tier 3 including: Air Georgian (AC7200-AC7349) Exploits Valley Air (AC7615-AC7649)	0888	890526 (same as Air Canada)

eMCOs issued in QIK CHEK will automatically charge the right account based on the flight number in the DCS record.

Redemption of paper MCOs and eMCOs

Once the (e)MCO has been accepted and issued, it is non refundable and cannot be exchanged for cash compensation. Refer to [Paper Miscellaneous Charge Order \(MCO\) including Star Alliance Goodwill](#) and [Electronic MCO \(EMCO\) Procedures – Call Centres, Airports](#)

For internal use only.